# Photocopy Refunds Program (PHOREF) – Privacy Impact Assessment

**PIA Date – Apr. 13, 2009**

## System Overview

The Photocopy Refunds Program (PHOREF) application was designed to assist taxpayers. A photocopy user fee is a prepaid fee charged to the taxpayers for copies of their tax return. The fee is refunded to the taxpayer if the IRS later determines that it cannot provide a photocopy of the requested tax return. PHOREF does not issue the photocopy fee refund. PHOREF processes the request for the photocopy fee refund and prepares a data file to be sent to Modernization & Information Technology Services (MITS)–20. Refunds are generally issued weekly through the Department of the Treasury's Financial Management Service (FMS) which does a data pull from MITS–20. PHOREF provides employees in the Returns and Income Verification Services (RAIVS) unit the ability to issue photocopy fee refunds by inputting data pertinent to each individual case. The data entered is Social Security Number (SSN), name, address, refund amount, refund date, caseworker's Integrated Data Retrieval System (IDRS) number, and appropriate remarks regarding the case.

## System of Records Number(s) (SORN) #:

- IRS 34.037--IRS Audit Trail and Security Records System
- IRS 24.046--CADE Business Master File (BMF)
- IRS 24.030--CADE Individual Master File (IMF)
- IRS 00.001--Correspondence Files

## Data in the System

### 1. Describe the information (data elements and fields) available in the system in the following categories:

A. Taxpayer – The taxpayer does not utilize the Photocopy Refunds (PHOREF) application. The taxpayer submits written request and fee amount for each copy of one or more tax returns to the IRS. This information is manually entered into a database, external to the PHOREF application, and then processed. PHOREF does have the capability to produce reports. The following information is transcribed from Form 4506 into PHOREF–entity information, taxpayer identification number (TIN), address, 3rd party address, refund amount.
If the investigator/processor cannot locate the tax return(s), a request is generated to refund the taxpayer's fee amount. The process to refund the taxpayer's fee amount is what encompasses the PHOREF application and its process. To execute this process, the IRS requires personal information such as SSNs, name, address, amount of refund and refund date to generate a check for the amount of the submitted fee and to return the fee to the taxpayer.

B. Employee – Users access the PHOREF application by using Oracle web forms via the IRS intranet. Users are required to login to the PHOREF application using their SEID and password. Once they are authenticated, users are presented with a screen with a number of menu options. The menu options that users are allowed to access are directly related to the user groups (PHO1, PHO2, PHO3, and PHO4) to which they belong. Furthermore, when making entries into the PHOREF database, IRS employees are required to enter their

caseworkers Integrated Data Retrieval System (IDRS) number and any pertinent remarks that support the tax fee refund process. Employee's login ID, name of application users and system support personnel information may be derived from profiles used to create system accounts that are required not only for application use, but maintenance of the system

C. Audit Trail – Information is collected from employees who are authorized to log on and work and process photocopy refund requests.

- All identification and authentication attempts (successful and unsuccessful – including SEID, & password, dates/time);
- All commands directly initiated by the user; and
- Files and resources accessed

This information is tracked via audit trails on the Online 5081 (OL 5081). System audit trails contain the caseworker's IDRS number, which is used to assign and monitor cases for a particular employee.

D. Other –The 3rd party address information is transcribed from Form 4506 into PHOREF.

**2. Describe/identify which data elements are obtained from files, databases, individuals, or any other sources.**

A. IRS – The PHOREF application uses system and database files required to process the refund request (for example, host files on the system required for authentication and database files created). The following information is transcribed from Form 4506 into PHOREF – entity information, TIN, address, 3rd party address, and refund amount.

B. Taxpayer – The taxpayer provides entity information, TIN, address, 3rd party address, refund amount on Form 4506.

C. Employee – The application user provides their Integrated Data Retrieval System (IDRS) number.

**3. Is each data item required for the business purpose of the system? Explain.**
Yes. The data collected is used for the purpose of identifying the taxpayer and processing their photocopy fee refund request. The actual $57 refund check is mailed from Financial Management Services (FMS) to the taxpayer.

**4. How will each data item be verified for accuracy, timeliness, and completeness?**
The PHOREF application checks information inputs for accuracy, completeness, validity, and authenticity of information as close to the point of origin as possible. PHOREF employs rules to check the valid syntax of information system inputs (e.g., character set, length, numerical range, acceptable values) to verify that inputs match specified definitions for format and content. The application prescreens inputs passed to interpreters to prevent the content from being unintentionally interpreted as commands.

**5. Is there another source for the data? Explain how that source is or is not used.**
Yes. The typical source of information in the application tends to be input received from taxpayers via the Request for Copy of a Tax Return, Form 4506. The information from this form is manually keyed into the PHOREF application database.

**6. Generally, how will data be retrieved by the user?**
Users of the PHOREF application retrieve data through the use of application menu selections. They use menus to choose different options, select specific options to do certain jobs, and then input forms using oracle forms. The data is then sent to MITS–20, so that FMS may do a pull of the data and process the fee refund check. PHOREF does have the capability to produce reports. When reports are generated, a control number is printed along with the 4506 form. PHOREF produces the following outputs/reports:

- Processed Taxpayer Identification Number (TINs)
- Duplicate TIN, address or name
- Quality Review listing for employees to see what types of commands they worked and how many
- Total number of photocopy fee refunds processed for a specific time period
- SSN & amount
- Flat file for transmission
- Schedule Number on reports

PHOREF reports specify the classification handling on each report. This classification is needed on any report or printouts that contain personally identifiable information (PII) or Sensitive But Unclassified (SBU).

**7. Is the data retrievable by a personal identifier such as name, SSN, or other unique identifier?**
Yes. The data is retrievable by SSN/TIN, name, city, state, zip, total amount, overpayment amount, and refund amount.

**Access to the Data**

**8. Who will have access to the data in the system (Users, Managers, System Administrators, Developers, Others)?**
Only IRS employees with a "need-to-know" will have access to the PHOREF application. Employees having a "need-to-know" will be required to submit and have an OL5081 request approved by their management before access is granted.

The following is a list of PHOREF users and their access level within the PHOREF application:
- PHO1 – Users are RAIVS employees and are strictly constrained to data entry and their interface includes a partial menu interface.
- PHO2 – Users are accounting employees who perform quality control (QC). They are only given read access and users have the ability to initiate a flag that lets FMS know there is a file to be picked up. Their interface includes a separate menu.
- PHO3 – Users are RAIVS supervisors/leads and they have the ability to perform data entry and to make modifications to data. PHO3 users have the ability to delete records and to return records based on the review from QC. In addition, they have the ability to run reports. PHO3 users can perform all the roles of PHO1, but they cannot perform the roles of PHO2. Their interface includes a complete menu.
- PHO4 – Users are Database Administrators (DBAs). After users apply for PHOREF access through OL5081, PHO4 users will add the new user's file permissions. PHO4 users add new PHOREF users, but PHO4 users cannot directly access system. PHO4 users have similar permissions as PHO3 users, but utilize different logins. PHO4 users utilize a Uniplexed Information and Computing System (UNIX) login and then log into the Oracle database.

*Contractors do not have access to the PHOREF application or PHOREF data.*

**9. How is access to the data by a user determined and by whom?**
Employees needing access to the PHOREF application must obtain management approval upon issuance of an OL Form 5081. The PHOREF environment enforces assigned authorization for controlling access to the system through role-based policies. Managers must identify the PHOREF access for their employees and submit OL5081 requests on the behalf of their employees. Once these actions are processed through the OL5081 system, the system administrators are notified to perform similar actions on the Oracle Server to ensure the user is assigned to the appropriate group permissions.

**10. Do other IRS systems provide, receive, or share data in the system? If YES, list the system(s) and describe which data is shared.**
Yes. PHOREF resides on the MITS–24 General Support System (GSS) and provides a data file containing SSN, name, address, and photocopy fee amount to be refunded via Enterprise File Transfer Utility (EFTU) to MITS–20.

**11. Have the IRS systems described in Item 10 received an approved Security Certification and Privacy Impact Assessment?**
Yes.
MITS–20
- Authority To Operate (ATO) – September 28, 2007, expires September 28, 2010
- Privacy Impact Assessment (PIA) –  May 1, 2007, expires May 1, 2010

MITS–24 GSS (UNIX Consolidated Platform)
- Authority To Operate  (ATO) – September 28, 2007, expires September 28, 2010
- Privacy Impact Assessment (PIA)  – February 16, 2007, expires February 16, 2010

**12. Will other agencies provide, receive, or share data in any form with this system?**
Yes. PHOREF sends a data file containing SSN, name, address, and photocopy fee refund amount via EFTU to MITS–20. FMS, a bureau of the United States Department of the Treasury, conducts a weekly pull of a data file from MITS–20. Even though there is no direct connection between PHOREF and FMS, PHOREF data is eventually shared with another agency.

## Administrative Controls of Data

**13. What are the procedures for eliminating the data at the end of the retention period?**
Currently, PHOREF administrators adhere to the general Record Control Schedule listed in Internal Revenue Manual (IRM) 1.15.2.9 Types of Records and Their Life Cycle Calculating the Retention Period and maintain PHOREF data for 6 years, 3 months after the processing year. Procedures for eliminating data at the end of the retention period are documented within IRM 1.15.29.93 Records Control Schedule for Submissions Processing Campus Records Taxpayer Correspondence Files.

**14. Will this system use technology in a new way?**
No. This system will not use technology in a new way.

**15. Will this system be used to identify or locate individuals or groups? If so, describe the business purpose for this capability.**

Yes. The PHOREF application does afford the ability to segregate IRS employees according to their roles and responsibilities, thus lending to the traceability of groups or individuals. The business purpose of this capability is to ensure data integrity and secure operation of the application.

**16. Will this system provide the capability to monitor individuals or groups? If yes, describe the business purpose for this capability and the controls established to prevent unauthorized monitoring.**
Yes. The PHOREF application contains taxpayer information (such as name, SSN or TIN, and addresses) that is viewable during processing. The monitoring of this information or identifying individuals is not a function of the application. However, the application and its host audit trails provide traceability in that yield the capability to identify, locate, and monitor system users. This type of monitoring is required for all information systems as it ensures data integrity and secures operation of the system.

**17. Can use of the system allow IRS to treat taxpayers, employees, or others, differently?**
No. The PHOREF application does not make determinations about individuals or groups that would lead to disparate treatment.

**18. Does the system ensure "due process" by allowing affected parties to respond to any negative determination, prior to final action?**
Not applicable

**19. If the system is web-based, does it use persistent cookies or other tracking devices to identify web visitors?**
Yes. The system is web-based; however, it is not a public-facing system. The application does not use cookies or other tracking devices, and therefore, does not identify web visitors.

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